

Coaching in Organizations

From Coaching for Transformation: Pathways to Ignite Personal and Social Change by Martha Lasley, Virginia Kellogg, Richard Michaels and Sharon Brown. Discover Press, 2011.

Individuals and leaders in corporate environments face many challenges that can present opportunities for coaching executives, middle managers or teams. Some challenges are routine, while others may occur during times of change.

Some corporate challenges include:

- **Mergers and Acquisitions** – When companies restructure, downsize or merge, reshuffled teams and work responsibilities contribute to increased stress, decreased morale, interpersonal conflicts and resentment. Coaching can help teams build trust, clarify vision and roles and support the transition to a blended culture.
- **New Team Start Up** – When new teams come together on a project, they can go through rocky periods until roles and responsibilities, communication channels, vision and mission are clearly established and shared. Coaches can support the formation and development of a team.
- **Global Virtual Teams** -- When people are part of teams that are geographically dispersed, coaches can support them in working across time zones and in determining how to work together effectively.
- **Goal Setting** – Based on company, division or departmental objectives, coaches can support individuals and teams to participate in setting fair, achievable goals. At the same time, coaches can help managers ensure consistency and alignment of personal goals with organizational goals.
- **Performance Objectives** – How people assess, communicate and reward performance for individuals and teams can motivate or de-motivate staff. Coaching can help people identify competencies and create motivational leadership development plans.
- **Empowerment** – Morale issues and lack of trust emerge when people in power micromanage others. Creating a coaching culture helps empower leaders at all levels where feedback is a two-way street.

Social sector challenges include:

- **Mission Creep** - When organizations shift their mission to meet the requirements of funders, coaches can support them in staying true to their purpose.
- **Scarcity Mentality** – When organizations struggle to secure funding, coaches can support the shift from the poverty mentality that drives most nonprofits.
- **Rescuers Syndrome** – When nonprofits mean well, but their efforts to rescue others often result in dependency. Coaching can support movement toward effective partnerships.
- **Burn-Out** – When leaders actually believe their work is more important than their well-being, coaching can help them create a culture of self care.
- **Board Development** – When board members avoid fundraising or lack the skills to provide oversight, coaching can help to develop a fully engaged board.
- **Dependency** – Ways of working with low-income clients may create dependency and lack of motivation for self sufficiency. Creating a coaching culture within the organization and with clients creates interdependence.
- **Leadership Capacity** – When nonprofits put clients first and staff last, they don't invest in their own professional development. Coaches can support capacity building through leadership coaching.
- **Powerlessness** – When social change advocates lack the political savvy to effect change, they become heartbroken and turn on each other. Coaches can re-invigorate organizations by helping colleagues reconnect with their dreams and create sustainable action plans.

Benefits of Coaching in Organizations

The command, coercion and control model might work in emergencies, but can fail to tap the full range of human potential. Today, when empowered employees resolve problems, continuous performance improvement frequently becomes a way of life.

It is a rare organization that hasn't experienced the stress of workforce reductions, budget cuts and streamlined operations. At the same time, people everywhere want a sense of meaning, satisfaction and respect for the work they do. Coaching empowers individuals to develop their leadership potential, so that they engage in their work wholeheartedly and affect the bottom line.

Some of the benefits of coaching in organizations:

- Increases job satisfaction by building morale and trust
- Promotes focused professional development
- Facilitates career advancement and succession planning
- Attracts, develops and retains talented leaders
- Fosters creativity, innovation and team spirit

In addition to collecting a paycheck, work is an important source of human fulfillment, a way to develop potential and an outlet for creative expression. Coaching can encourage employees to bring their best ideas and efforts to the workplace, increasing commitment to the organization and its overall success.

Different from mentors or consultants, skillful coaches rarely provide solutions or advice. Instead, a coach facilitates what's most important to the person being coached by asking rigorous questions. The coaching relationship helps people focus, connect with what's important, explore new possibilities and choose an action plan. Attuned to values and vision, a coach helps people build capacity, take leadership and maximize their contribution.

Coaching is a collaborative rather than an authoritarian relationship, with a focus on solutions rather than analyzing problems. The coach doesn't need to be an expert in the client's profession; the emphasis is on fostering awareness, setting and realizing challenging goals and facilitating sustained personal and organizational growth.

Leadership Coaching

Coaching has become the most popular leadership development process. In his 2006 research, Dr. Brian Underhill found that:

- 43% of CEOs and 71% of the senior executive team reported that they had worked with a coach.
- 63% of contacted organizations say they plan to increase their use of coaching over the next five years.
- 92% of leaders being coached say they plan to use a coach again.¹

Underhill says, "Both indicators provide a strong endorsement of coaching; the first by the organizations paying the bills, and the second by the leaders who are actually receiving coaching."

¹ Bolt, Jim. *Coaching: The Fad that Won't Go Away*. Fast Company, April 10, 2006.

The 2009 Harvard Business Review survey found that the popularity and acceptance of leadership coaching continues to rise even in a tight business environment. The survey concluded that clients keep coming back because "coaching works." The report also found that:

- over 48% of companies now use coaching to develop the leadership capabilities of high-potential performers.
- the median hourly rate of coaching is \$500 (from a low of \$200 to a high of \$3,500).
- the typical coaching assignment is from seven to 12 months.²

In a 2008 Personnel Today article, Chris Sharpe from Capita confirmed an increase in organizations looking for executive coaching skills to "develop senior managers to lead their teams more effectively." He says more and more Learning & Development professional "have taken coaching qualification in the market today."³

Many large organizations expect to have coaching departments in the near future. According to Darren Shirlaw in a 2007 Personnel Today article, "In 10 years' time there will be coaching departments in companies" and most companies will "have a Chief Learning Officer in five years' time."⁴ The report claims that 80% of coaching in organizations is executive and leadership coaching, with business coaching accounting for around 20%.

Although coaching is offered as a perk at many organizations, human resources departments are becoming more rigorous about measuring the return on investment (ROI) of leadership coaching. In a white paper by David Ledgerwood, "Does Executive Coaching Pay?" he offers a summary of the research on the ROI of coaching. Articles that weigh both sides of the issue include, "[Is Executive Coaching a Con?](#)" and "[The Wild West of Executive Coaching](#)".

² Coutu, Diane; Kauffman, Carol; Charan, Ram; Peterson, David B.; Maccoby, Michael; Scoular, P. Anne; Grant, Anthony M.; *What Can Coaches Do for You?* Harvard Business Review, 00178012, Jan 2009, Vol. 87, Issue 1.

³ Bentley, Ross. *Full steam ahead*. Training & Coaching Today, Jan 2008, p. 25.

⁴ Shirlaw, Darren. *Coaching goes it alone*. Training & Coaching Today, Oct 2007, p. 12.